

SENATE BILL REPORT

SB 5315

As of January 22, 2015

Title: An act relating to aligning functions of the consolidated technology services agency, office of the chief information officer, and department of enterprise services.

Brief Description: Aligning functions of the consolidated technology services agency, office of the chief information officer, and department of enterprise services.

Sponsors: Senators Roach, Liias, McCoy, Pearson and Benton; by request of Office of Financial Management.

Brief History:

Committee Activity: Government Operations & State Security: 1/22/15.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & STATE SECURITY

Staff: Samuel Brown (786-7470)

Background: The Office of the Chief Information Officer (OCIO). OCIO sits within the Office of Financial Management (OFM) and is responsible for the preparation and implementation of a strategic information technology (IT) plan and enterprise architecture (EA) for the state. OCIO, led by the Chief Information Officer (CIO), works toward standardization and consolidation of IT infrastructure, establishes standards and policies for EA, educates and informs the state on IT matters, evaluates current IT spending and budget requests, and oversees major IT projects, including procurements. The CIO is appointed by the Governor and subject to Senate confirmation.

Consolidated Technology Services (CTS). CTS provides a variety of technology-based services to state and local agencies including telecommunications and computing services; procurement of technology equipment through master contracts; and IT support functions such as server hosting and network administration, telephony, security administration, and email.

The Department of Enterprise Services (DES). DES, an executive branch agency, is tasked with providing products and services to support state agencies, other governmental entities, and nonprofits. DES provides various IT services to state agencies, including purchase of wireless devices and digital signature authority. DES also maintains and operates the state's central personnel-payroll system.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill: The functions of OCIO, CTS, and IT services within DES are consolidated in a new executive branch agency, the CTS Agency. The CIO serves as director of the Consolidated Technology Services Agency. The CIO's powers and duties include the following:

- developing statewide IT standards and policies, including policies for the acquisition and disposition of software and technology-related equipment, oversight of radio technologies, and confidentiality of computerized data;
- developing statewide technical policies and procedures;
- approving standards for new or expanded telecommunications networks proposed by state agencies;
- providing direction concerning strategic planning goals and objectives;
- establishing standards for periodic state agency performance review;
- identifying and monitoring opportunities for savings and efficiencies in IT expenditures;
- developing statewide standards for purchases of IT networking equipment and services; and
- establishing technical standards to facilitate information sharing, access, and interoperability of information systems.

Several IT revolving accounts are created, for the following specified purposes:

- the CTS revolving account, to be used for the acquisition of equipment, software, supplies, and services, and the payment of salaries, wages, and other costs related to those acquisitions;
- the statewide IT system development revolving account, to be used for the development and acquisition of enterprise IT systems;
- the statewide IT system maintenance and operations revolving account, to be used for maintenance and operations of enterprise IT systems; and
- the shared IT system revolving account, to be used for development, acquisition, and maintenance of shared IT systems.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on July 1, 2015.

Staff Summary of Public Testimony: PRO: This bill is straightforward and largely administrative. It takes three IT groups, three leadership teams, three points of contact, and makes them one, increasing accountability. The bill puts people in charge of security policy in the same organization and structure as the people actually implementing the policy, allowing state government to put IT security issues more front and center. This is the best way to make sure we can do better, especially responding to security concerns. The bill aligns organizations into a simplified, streamlined team, enabling quicker adoption of leading technology practices. The Legislature will gain more confidence and oversight into how IT dollars are spent. The bill also would strengthen OFM's fiscal oversight over everything central IT spends. This will enable us to use IT to spend less money in government.

A similar change in IT direction for King County was crucial – bringing together previously disparate organizations has brought us tremendous benefits. IT services need to enable, not constrain, business strategy. Similar restructuring led to increased employee engagement in King County, because employees understand how they participate in the vision and the value they bring on a daily basis. State agencies need to get as close to the citizen customer as possible, focusing on the citizen experience, not the infrastructure. This will free up many businesses to focus on providing core services, rather than infrastructure investments.

Persons Testifying: PRO: Senator Roach, prime sponsor; Michael Cockrill, State CIO; John Lane, OFM; Bill Kehoe, King County CIO; Butch Leonardson, Cornerstone Advisors, Inc.